

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Balance Sheet**  
**As of 7/31/2008**

	As of <u>7-31-08</u>	As of <u>6-30-08</u>
<b>ASSETS:</b>		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 150,469	\$ 151,093
INTERNATIONAL EQUITIES	71,774	74,570
DOMESTIC FIXED INCOME	525,757	533,063
INVESTED CASH (NOTE 1)	<u>41,032</u>	<u>41,024</u>
 TOTAL INVESTMENTS	 789,032	 799,750
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>1,358</u>	<u>988</u>
 TOTAL RECEIVABLES	 1,358	 988
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	29,659	29,659
 TOTAL ASSETS	 <u>\$ 820,049</u>	 <u>\$ 830,397</u>
 <b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	29,659	29,659
INVESTMENT EXPENSE PAYABLE	<u>1,602</u>	<u>1,596</u>
 TOTAL LIABILITIES	 31,261	 31,255
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	799,142	826,225
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(10,354)</u>	<u>(27,083)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>788,788</u>	 <u>799,142</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 820,049</u>	 <u>\$ 830,397</u>

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Profit and Loss Statement**  
**For the Month Ended 7/31/2008**

	Month Ended <u>7-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,910	\$ 2,910
SECURITIES LENDING INCOME	<u>73</u>	<u>73</u>
	2,983	2,983
 GAIN ON SALE OF INVESTMENTS	 10,663	 10,663
LOSS ON SALE OF INVESTMENTS	<u>12,047</u>	<u>12,047</u>
 NET GAINS (LOSSES) INVESTMENTS	 (1,384)	 (1,384)
 INVESTMENT EXPENSES	 1,061	 1,061
SECURITIES LENDING EXPENSES	54	54
 NET INVESTMENT INCOME	 484	 484
 NET APPREC (DEPREC) MARKET VALUE	 (10,833)	 (10,833)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(5)</u>	<u>(5)</u>
 TOTAL INVESTMENT INCOME	 <u>(10,354)</u>	 <u>(10,354)</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (10,354)</u></u>	 <u><u>\$ (10,354)</u></u>

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**Notes To Financial Statements**  
**July 31, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 4**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.